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FOREIGN NEWS ON APPLES

BREMEN AS A PRIMARY FRUIT MARKET FOR APPLES.

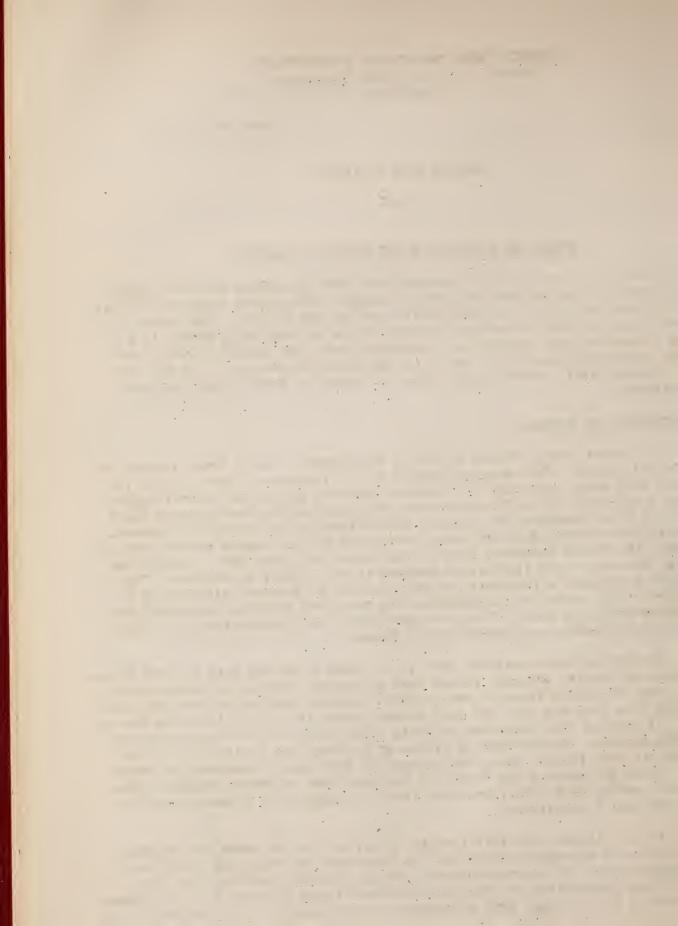
Just as Rotterdam provides entry for American apples into the Rhine-land, so Bremen serves much of central Germany, having good transport facilities to practically all the industrial areas of the country. The North-German Lloyd has been interested for many years in developing Bremen to a point comparable with Hamburg as a shipping center for American goods, the latter part having been built up by the Hamburg-American Line. So far, however, Hamburg still holds the advantage of volume of traffic and handling facilities.

The Free Port of Bremen.

In prewar years, Premen enjoyed a considerable export trade in beer to the United States. This traffic enabled the North-German Lloyd to carry full cargoes both ways, providing low rates on American apples and other freight. Later, development of the Bremen cotton trade enabled the North-German Lloyd to devote more tonnage to the general cargo trade out of New York in competition with the Hamburg-American Line. To offset the advantages of the port of Hamburg, the Bremen interests quoted equal rates to either port, discharging part of the cargo into lighters at Hamburg if the shipper so ordered. The transfer to Hamburg's Free Port is made possible by Bremen's also having a Free Port. All cargo is discharged in the Free Port allowing inspection before disposition is made. Thus, through competitive transportation, a new primary fruit market was established at Bremen.

Bremen merchants maintain that it is bound to be the port for fruit distribution to Western Germany, rather than Rotterdam, because Rotterdam's distance from the German frontier necessitates loading fruit on railway cars and carrying it a long way from the port before German inspectors determine whether or not it is free from infection or pests which prohibit the fruit's entrance into the country. In the case of Bremen or Hamburg, the frontier is at the gate of the Free Ports. This, they claim, is sufficient inducement to German fruit buyers situated in the Rhineland to cause them to prefer Bremen or Hamburg to a market like Rotterdam where fruit is bought with a possible prohibition against its delivery.

It is believed that this feature is not such as to cause the eclipse of Rotterdam as a primary market for the Rhineland, at least not until barreled apples again become an important part of Germany's imports. At the present time practically no barreled apples are being imported into the German Rhineland, - or any other part of Germany for that matter, - on account of the



effect of the high duty and freight rates. As long as boxel apples rule, the rareness of infected cargoes will relieve Rotterdam's apple customers from this embarrassment.

Auction Distribution in Bremen.

American apples are discharged from the North-German Lloyd liners in the outer section of the Free Port. As this is not a convenient place to display the fruit, the steamship line transfers the apples to lighters and delivers them to a shed, still in the Free Port, but very near the city where prospective buyers may visit the show without inconvenience.

The shed used for fruit sales is specially equipped with heat and is satisfactory for its purpose. The smaller Mediterranean ships discharging oranges are able to do so directly at the shed. This shed is, of course, the property of the Free Port of Bremen, but is leased by the Allegemeine Handelsgasellschaft. (General Trading Company). This firm, which handles most of the imported fruit through this port, performs all of the work of receiving, sorting and delivering.

The German method of displaying fruit for auction sale differs from that employed in Great Britain, and, on the whole is preferable. It consists of showing samples in the vicinity of the lots instead of removing the samples to the sales rooms. This causes the buyer to visit the dock, give the fruit close examination, and causes him to be more careful than if he had only a vague idea as to the relative condition of the various lots.

The salesroom is also in the control of the Allegemeine Handelsgelsell-schaft (General Trading Company). It is a very attractive, comfortable and satisfactory auction room. The same interests own another salesroom in the same vicinity, admirably equipped for using the "Dutch Method" of Dial Auction Sales. This is used for selling domestic fruits and vegetables, but is never used for imported fruits. Buyers from districts outside of Bremen are attracted to the sales of imported apples and oranges and as they are not regular visitors in Bremen they are not accustomed to the "Dial Method", hence their patronage is not obtained if visitors are embarrassed by strange methods.

The Bremen fruit auction is limited by mutual consent to buyers within a certain zone of the city, although this zone is somewhat larger than that of the buyers' association in Hamburg. Buyers outside of this zone have to employ a local member, paying him a commission.

Costs of Selling Through Bremen.

While a commission of 6% is charged for sales, it is understood that this is variable, depending upon the services performed by the brokers. Where the American end is handled by the shipping firm this commission may be smaller. The brokers pay the Free Fort for the use of quays and shed, the shed being leased by the season. The brokerage company also does the labor of removing from the ship's side, sorting, piling and delivering. The inclusive charge for this is 9d. (Sterling-Yeach for boxes of apples and 2 shillings each (about 48 cents for barrels.

Demand for American Fruits Handled Through Bremen.

In fresh fruits the demand for American production lies almost solely with boxed apples. A few barreled apples enter here, but it is maintained that until the tax on apples is reduced barreled apples do not have much chance. Before this high tax was imposed there was a demand for apples in barrels since they then constituted a cheaper product. With a tax amounting to about \$1.75 per barrel, however, the price of this fruit is brought so near that of a luxury fruit that the demand has swung to boxes.

When southern Germany, Czecho-Slovakia, Holland and the Tyrolian sections have an apple crop there is a very limited demand for American apples until these supplies are cleaned up. This does not hinder the acceptance of a varying quantity of bright red apples for the Christmas trade, even though quantities of home apples may stay on the market until after January. However, it does mean that it is a very poor policy to consign large shipments to this market until after the New Year.

Prior to Christmas only red apples such as Jonathans and Spitzenburgs should be placed on this market. After January 1st Newtowns will be accepted along with Winesaps.

Although the market will take nearer a natural run of sizes than British markets, the greatest demand is for sizes not larger than 138, with 150 to 200 being the most popular.

American Oranges and Grapefruit in Very Small Demand.

This market is not different from other points in Europe in this respect. The brokers have connections in Spain similar to those of British brokers and receive regular consignments which sell for prices very nearly the same as those prevailing in the other primary markets of Europe.

The demand for grapefruit is limited to very small consignments. Terms of supplies expressed in carloads are out of the question. Not only are the German people not acquainted with the fruit but it is thought to be too expensive for them.

The Future Demands of Bremen.

With the re-establishment of transportation facilities between Bremen and New York and with the rehabilitation of German industrial life, Bremen fruit brokers are enthusiastic over the future possibilities of this port. It is thought that it will draw away much that is now going through Rotterdam on account of the relation of the Free Port facilities to inspection requirements.

Edwin Smith, Specialist in Foreign Marketing

Note: The names of leading fruit brokers in Bremen can be obtained by addressing the Foreign Service, Bureau of Agricultural Economics, Washington, D. C.

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